

Digital Natives' Cognitive, Affective, Behavioural Responses On Digital Advertising Attitude And Purchase Decision – A Sem Study

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Abstract

The Indian digital advertising is witnessing a phenomenal growth and seen as a fastest growing markets of the world. It is expected to grow to 21 billion dollar Industry in 2028 driving whooping change in the Indian advertising Industry (The Economic times 2022, Dec 27). Digital Natives have grown up in digital world by tapping, swiping and liking, with the world's information at their fingertips. The present research effort devoted its attention to understand the digital natives' behavioural responses to digital advertising. It has also extended its research purview to study their behavioural responses to digital advertising and its effect on purchase decision. For this purpose, the study included 523 digital native respondents who reside in and around Tamil Nadu. The study made use of non-probability sampling method for data collection. Frequency, percentage analysis and SEM analysis supported the process of reaching the research purposes and it was found that 38% of the variation in purchases decision could be traced with the path leading attitudinal component factors to digital advertising attitude, brand attitude and

purchase decision.

Keywords: Digital advertising, Attitude, Digital Natives, Purchase Decision.

Introduction

Digital Natives is growing up entirely in digital age as they are open to using new technologies to consume relevant information. By 2020, Digital Natives is expected to report for 40% of all customers and influence nearly \$4 billion in discretionary spending, according to new research from MNI Targeted Media, a division of Meredith Corporation. Marketing reports across the world insists the fact that Generation Z is one of the most powerful consumer forces in the market. Their buying power is \$44 billion and expands to \$600 billion when considering the influence; they have on their parents' spending. Hence, it is evident that Digital Natives perspectives toward digital advertising would be providing most sought-after insights to digital marketers and other stakeholders. Hence this study attempted to understand the Digital Natives digital advertising viewing behaviour and their attitude towards digital advertising.

Review of Literature

Researches that enquired the Digital Natives attitude towards digital advertising yielded mixed result. Research attempts in the recent past, in general concluded that Digital Natives prone to get influenced by online advertising. It was rightly stated by Kurzu, Robert (2017) that the influence of Generation Z would be a game changer, which could be observed the pace at which marketers shift their investments from traditional to digital. Madhobi Hossain (2018) investigated the determinants that cause the avoidance attitude towards digital ads among Generation Z consumers in Bangladesh. Goal impediment, privacy concern, ad clutter, and negative experiences were found to be positively associated with advertising avoidance online (ibid). (Thomas, M.R., et.al., 2018) concluded that the influence of online website cues such as product presentation and perceived interactivity on the purchase intention of generation Z mediated by the trust factor hence advised the marketers to work over it. Navya Ninan, N., et.al., (2020) insisted that social media marketing more effective than the traditional method of marketing on Digital Natives indicating that digital advertising has a positive impact on their purchase intention. Smith , Katherine (2012) focused on digital marketing strategies are preferred by Millennials and are effective in influencing their behavior. There is potential growth

and value in using digital marketing aimed at Millennials, but the marketing strategies must be perceived positively by this online generation. The Results indicated that Millennials have a definite preference for certain forms of online advertising. There are digital marketing strategies that are considerably more effective in grabbing the attention of Millennials, motivating repeat visits to a web site, and encouraging Millennials to write online reviews. Faruk Tanyel, Elnora W. Stuart & Jan Griffin (2013) it is presumed that Consumers' attitudes toward advertising ethics are of interest to marketers who understand that negative attitudes can be harmful to brands. Today advertisers increasingly depend on internet advertising. This study compares attitudes of Millennials (the first generation to use digital media more than traditional media) toward internet advertising with attitudes toward advertising in traditional media. Similar to previous generations who had more negative attitudes toward TV advertising, which was their most frequently used medium, Millennials' attitudes appeared to be more negative toward internet advertising. Thus, we conclude that advertisers must work to engender positive relationships with Millennials through more ethical internet advertising and other innovative strategies. M.F. Kamaruzaman , I.H. Zainol (2014) this study examine the essential medium for mobile advertising towards the millennial. Mobile advertising has become a significant instrument for the marketers to get in touch with the end users. The usage of mobile phones to the millennial are experience a revolution where it is not just an instrument for conversation, education, social networking but entertainment as well, which bestows the emergence of mobile advertising. This study concluded that majority of the respondents have an optimistic attitude towards mobile advertising. Many agree that interesting designated advertisement will attract them to pay more attention to the advertisement. Rodney Graeme Duffett (2015) It is presumed that investigate the influence of behavioural attitudes towards the most popular social medium in the world, Facebook, amongst Millennials in South Africa (SA), and to determine whether various usage and demographic variables have an impact on intention-to-purchase and purchase perceptions. The results confirm that advertising on Facebook has a positive influence on the behavioural attitudes (intention-to-purchase and purchase) of Millennials who reside in SA. The usage characteristics, log on duration and profile update incidence, as well as the demographic influence of ethnic orientation also resulted in more favourable perceptions of digital advertising.

Empirical gap

Attitude towards digital advertising is a favourite theme for

researchers across globe. Many research efforts revolved around the same but not many studies interrogated Digital Natives attitude in this connection. This way the study in hand proved to be novel attempt aimed to address the gap in this field. Hence this study exclusively concentrated upon grilling the Digital Natives attitude along with their viewing behaviour towards digital advertising.

Methodology

The empirical study depended on 523 respondents residing in Tamil Nadu who were chosen through non probability convenience sampling method. Data gathered using a structured questionnaire which had 3 parts. First part of the questionnaire concentrated on collecting Digital Natives demographic profile information. The second part dedicated its attention to elicit their digital advertising viewing behaviour and final part consisted of 15 items measuring attitude of Digital Natives towards digital advertising and the scale has been subjected to Cronbach alpha reliability test and the value is 0.834 which showed high internal consistency. Descriptive statistics, percentage analysis was used to attain the research objectives

Objectives

1. To study the demography profile of the digital natives.
2. To investigate the effect of digital natives behavioural responses on attitude toward digital advertising and purchase decision.

Development of theoretical framework

The current research is an attempt to develop a model which would explain the effect of cognitive, affective and behavioural responses of digital native consumer on purchase decision by depicting the complex relationship of consumer response constructs like digital advertising attitude and brand attitude. The study derives its strength from various behavioural theories such as elaboration likelihood model (Petty & Cacioppo, 1979), theory of reasoned action (Ajzen & Fishbein, 1980⁷⁴) and dual mediation model (Lutz, MacKenzie & Belch, 1983).

Literature consistently attested the ability of the dual mediation model in predicting the behavioural intentions of the viewers after an exposure and evaluation of advertisements. The essence of theory of reasoned action was observed in the first two links in dual mediation model (i.e) cognition about the advertisement → advertisement attitude and cognition about the brand → brand

attitude of dual mediation model. Furthermore, the relevance of elaboration likelihood model could also be observed in the path leading cognition, affect, behavioural responses → advertisement attitude → brand attitude which represents central route and the path leading advertisement attitude → brand attitude represents peripheral route to persuasion. Though dual mediation model was considered as the base for development of theoretical model for advertisement effectiveness, the current study made appropriate modification in the model to enhance its suitability to the current digital advertising context.

Analysis & Interpretation

Table 1 Demography profile of the digital natives

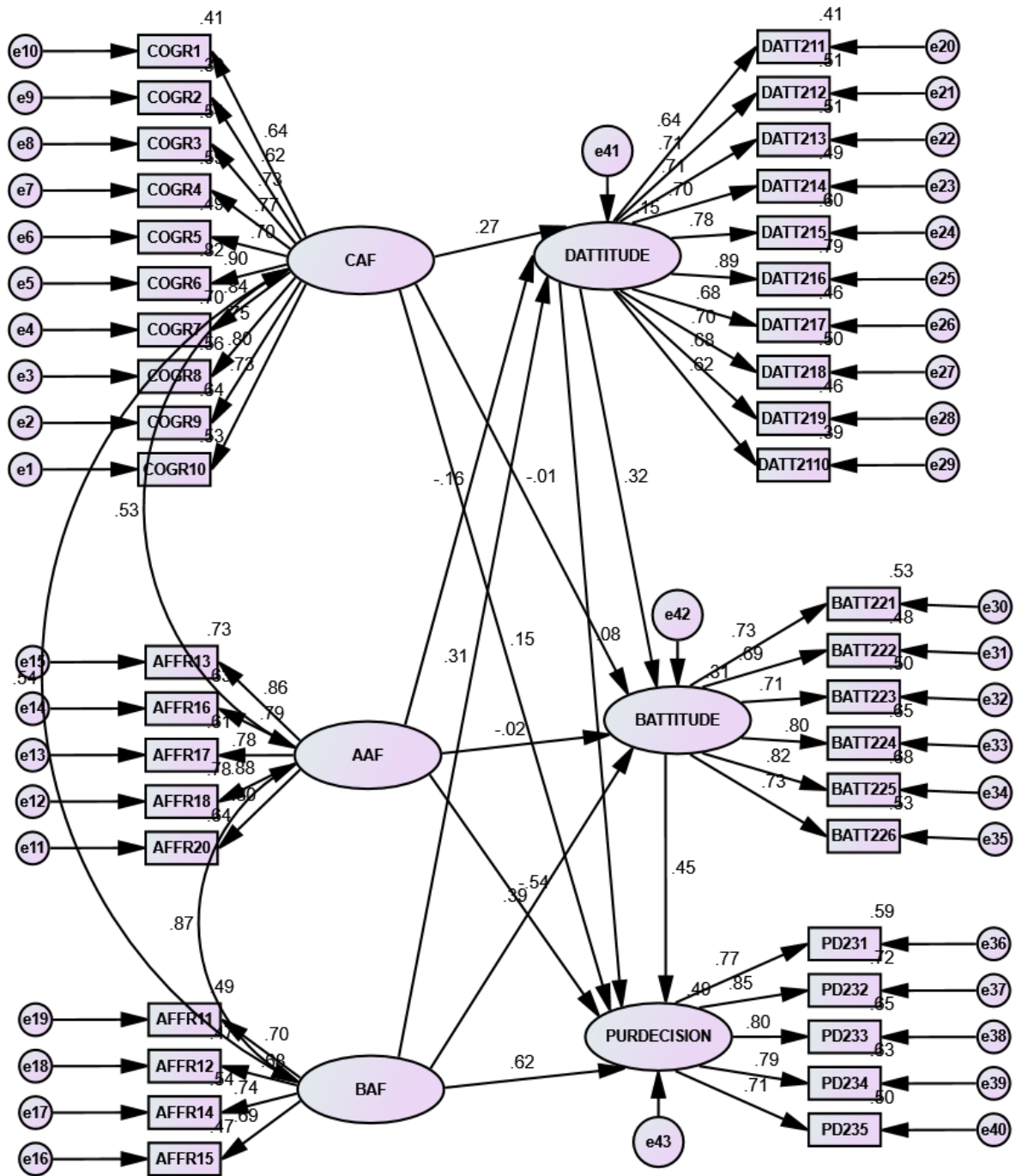
Demography profile	Category	Frequency	Percentage
Gender	Male	372	71.2
	Female	151	28.8
Age	18-21 years	125	23.9
	22-24 years	398	76.1
Year of Birth	1995 – 2000	412	78.8
	2001 – 2005	111	21.2
Education	Up to 12 th Std	96	18.4
	Under graduation	252	48.2
	Post-graduation	110	21.0
	Diploma	65	12.4
Occupation	Self employed	67	12.8
	Salaried	289	55.3
	Students	121	23.1
	Others	46	8.8
Family Monthly Income	Below Rs.100000	89	
	Rs.100001 – Rs.300000	156	29.8
	Rs.300001 - Rs.600000	154	29.4
	Above Rs.60000	124	23.7
Family system	Joint Family	134	25.6
	Nuclear Family	389	74.4
Marital Status	Single	357	68.3

Married	166	31.7
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Source – Primary Data

From Table 1 it could be understood that majority (71.2%) of the respondents are males, (78.8%) born between 1995-2000, (76.1%) belonging to 22-24 years of age category. Majority (48.2%) of the respondents having UG educational qualification and majority (55.3%) found to be salaried people. Significant majority (29.8%) of the respondents belong to a family monthly income category of Rs.100001 – Rs. 300000. Almost 3/4th of the respondents belongs to nuclear family system. Majority of the respondents are unmarried

Figure 1 Cognitive affective behavioural response factors on digital advertising attitude and purchase decision



*Note (CACF – Cognitive Attitudinal Component Factor, AACF – Affective Attitudinal Component Factor, BACF – Behaviour Attitudinal Component Factor, DATTITUDE – Digital Advertising Attitude, BATTITUDE – Brand Attitude, PURDECISION– Purchase Decision)

Table 2 Cognitive Affective Behavioural Response Factors on

digital advertising attitude and purchase decision fit statistics

χ^2	Df	Sig	CMIN /df	RMSEA	RMR	GFI	AGFI	CFI	NFI	AIC	CAIC
Recommended Cut-off < 5			<.05	<.08	>.8	>.8	>.9	>.8	Lowest for Default model		
1412.486	725	.000	1.948	.042	.038	.826	.856	.879	.812	1682.486	1757.792

Results in Table 2 concern with structural model fit indices of Cognitive Affective Behavioural Response Factors on digital advertising attitude and purchase decision. It could be observed that CFI, NFI, GFI and AGFI were higher than the necessary minimum levels and CMIN, RMSEA and RMR were within the accepted tolerant levels. All this goodness of fit statistics confirmed that the data fit the model well and interpretation of hypothesis could be proceeded.

Table 3 Results of hypotheses testing of Cognitive Affective Behavioural Response Factors on digital advertising attitude and purchase decision

Hypothesis	Path	Standardised Regression Weights	S.E.	C.R.	P	Result
H1: CACF → DATT	Digital Advertising Attitude influenced by Cognitive Attitudinal Component Factor	0.275	0.069	3.065	***	S
H2: AACF → DATT	Digital Advertising Attitude influenced by Affective Attitudinal Component Factor	-0.161	0.171	-0.782	0.434	NS
H3: BACF → DATT	Digital Advertising Attitude influenced by Behavioural Attitudinal Component Factor	0.309	0.184	1.407	***	S
H4: CACF → BATT	Brand Attitude influenced by Cognitive Attitudinal Component Factor	-0.007	0.068	-0.079	0.937	NS
H5: AACF → BATT	Brand Attitude influenced by Affective Attitudinal Component Factor	-0.015	0.173	-0.078	0.938	NS
H6: BACF → BATT	Brand Attitude influenced by Behavioural Attitudinal Component Factor	0.385	0.190	1.800	0.072	NS

H7: CACF → PD	Purchase Decision influenced by Cognitive Attitudinal Component Factor	0.147	0.091	1.842	0.065	NS
H8: AACF → PD	Purchase Decision influenced by Affective Attitudinal Component Factor	-0.543	0.244	-2.708	0.007	NS
H9: BACF → PD	Purchase Decision influenced by Behavioural Attitudinal Component Factor	0.620	0.276	2.763	0.006	NS
H10: DATT → BATT	Brand Attitude influenced by Digital Advertising Attitude	0.321	0.085	4.005	***	S
H11: DATT → PD	Purchase Decision influenced by Digital Advertising Attitude	0.083	0.109	1.115	.265	NS
H12: BATT → PD	Purchase Decision influenced by Brand Attitude	0.446	0.124	4.987	***	S

Source: Primary data

Values in table 3 validated all the hypothesized paths involved in the model, therefore all factors have got a role to play in influencing digital advertising attitude, brand attitude and purchase intention. Among the response factors, Behavioural attitudinal component factor seems to exert strong influence both directly and indirectly on all constructs involved in the model. The Fig. 1 and the results of table 3 show that the factors (Except AACF) positively and significantly impacts the Digital natives attitude towards digital advertising, thereby brand attitude and purchase decision. Overall, the model explains nearly 38% of the variation in purchase decision and the path leading Attitudinal component factors → Digital Advertising Attitude → Brand attitude → Purchase Decision found vital. The findings suggest that if the Digital natives perceive the digital advertising credible, entertaining appealing to their emotional and behavioural senses then they tend to form favourable attitude towards digital advertising in general, which then reflects in their brand attitude, which consequently results in purchase decision.

Conclusion

Now a days, digital advertising has become an important aspect of many organisations' marketing strategies. Even small business owners can now sell their products or services in a highly cost-effective and efficient manner. There are no limits to what can be done with digital advertising. To market the firm and its products and services, the company can utilise any device such as smartphones, tablets, computers, televisions, gaming consoles,

digital billboards, and media such as social media, SEO (search engine optimization), videos, content, e-mail, and more. Just as Rome was not built in a day, neither will digital advertising achievements come without effort and experiment. Digital advertisers should pond over these findings highlighted in the study to customize the digital advertising design in such way evoking favourable attitude among potential audience.

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